

AMENDED IN SENATE APRIL 8, 2003
AMENDED IN SENATE MARCH 12, 2003
AMENDED IN SENATE MARCH 10, 2003

CALIFORNIA LEGISLATURE—2003–04 FIRST EXTRAORDINARY SESSION

SENATE BILL

No. 5

Introduced by Senator Romero

(Principal coauthors: Assembly Members Chu, Koretz, and Nunez)

(Coauthors: Senators Alarcon, Escutia, Kuehl, and Soto)

(Coauthors: Assembly Members Lieber and Longville)

January 27, 2003

An act to add Section 23335 to the Business and Professions Code, and to add Chapter 13 (commencing with Section 1900) to Division 2.5 of the Health and Safety Code, relating to emergency medical services, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 5, as amended, Romero. Emergency medical services: alcohol: fee.

~~The Alcoholic Beverage Control Act imposes various functions and duties on the Department of Alcoholic Beverage Control with respect to the sale of alcoholic beverages and related licensing.~~

Existing law establishes various health services programs administered by, among other state agencies, the State Department of Health Services.

This bill would enact the Alcohol-Related Emergency Services Reimbursement Act of 2003, which would require the ~~department~~ *State Board of Equalization* to collect a \$0.05 per drink fee, based upon a

specified formula, from any wholesaler located within the state who distributes alcoholic beverages to retailers for consumption in the state. The bill would establish the Alcohol-Related Emergency Services Reimbursement Trust Fund, to be administered by the ~~State Department of Health Services~~ department, ~~would allocate funds into which moneys collected by the board from the imposition of the fees, would be deposited~~ and would continuously appropriate money from the fund to the ~~State Department of Health Services~~ department for allocation to local emergency medical services providers that meet the qualifications established by the department for reimbursement of expenses incurred in providing services for alcohol-related emergencies, and to the ~~Department of Alcoholic Beverage Control~~ State Board of Equalization and the ~~State Department of Health Services~~ department for costs associated with implementing the above provisions.

The bill would require, after 2 years of implementing the bill, the department to evaluate the economic impact of the bill on the alcohol industry and submit its evaluation to the Legislature.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Emergency medical services are inadequate to properly
- 4 meet the needs of the residents of California.
- 5 (b) In the last 10 years, over 70 emergency rooms and trauma
- 6 centers have shut their doors in the state.
- 7 (c) Alcohol-related incidents on California roads cost over \$3
- 8 billion per year in monetary costs.
- 9 (d) Alcohol is a factor in nearly one-third of all vehicle crashes
- 10 in the state, and emergency rooms and trauma centers are the
- 11 primary medical services providers for those injured in these
- 12 incidents.
- 13 (e) From July 1, 2000, to June 30, 2001, inclusive, 60 percent
- 14 of all patients admitted to emergency rooms and trauma centers in
- 15 Los Angeles County tested positive for alcohol.
- 16 (f) Emergency rooms and trauma centers can no longer afford
- 17 to continue to pay for these services without reimbursement.

(g) Alcohol distributors within the State of California should reimburse the state for moneys expended by the state as a direct result of the use and abuse of these products.

(h) The State of California is facing an unprecedented budget shortfall that necessitates drastic cuts in programs and services to the people of California.

(i) The State of California cannot continue to subsidize the costs associated with the consumption of alcoholic beverages within the state.

(j) The Alcohol-Related Emergency Services Reimbursement Act of 2003 is necessary to combat the adverse effects of alcohol use and abuse.

SEC. 2. This act shall be known, and may be cited, as the Alcohol-Related Emergency Services Reimbursement Act of 2003.

SEC. 3. Section 23335 is added to the Business and Professions Code, to read:

23335. (a) ~~The Department of Alcoholic Beverage Control~~ *State Board of Equalization* shall collect a five-cent (\$0.05) per drink fee from any wholesaler located within the state who distributes alcoholic beverages to retailers for consumption in the state. The fee shall be based on 1.50 ounces of distilled spirits, 12 ounces of beer, and 5 ounces of ~~table~~ wine.

(b) All funds collected pursuant to subdivision (a) shall be deposited in the Alcohol-Related Emergency Services Reimbursement Trust Fund established pursuant to Chapter 13 (commencing with Section 1900) of Division 2.5 of the Health and Safety Code.

~~The department~~ (1) *The board* shall be reimbursed for costs associated with implementing this section pursuant to Section 1901 of the Health and Safety Code.

(2) *The board may implement this section in a manner consistent with its current operations, to the extent possible, to allow for administrative efficiency. The board may assess and collect fees, to the extent authorized in this section, at the same time and in the same or a similar manner as provided for the assessment and collection of taxes under the Alcoholic Beverage Tax Law (Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code).*

(d) Fees collected pursuant to this section shall be used solely to implement this section and Chapter 13 (commencing with Section 1900) of Division 2.5 of the Health and Safety Code. The ~~department shall~~ *board may* not collect fees pursuant to this section in excess of the amount needed to fully implement this section and Chapter 13 (commencing with Section 1900) of Division 2.5 of the Health and Safety Code.

SEC. 4. Chapter 13 (commencing with Section 1900) is added to Division 2.5 of the Health and Safety Code, to read:

CHAPTER 13. ALCOHOL-RELATED EMERGENCY SERVICES
REIMBURSEMENT TRUST FUND

1900. The Alcohol-Related Emergency Services Reimbursement Trust Fund is hereby created in the State Treasury. The fund shall be administered by the State Department of Health Services. The fund shall consist of fees collected by the ~~Department of Alcoholic Beverage Control~~ *State Board of Equalization* from wholesalers located within the state who distribute alcoholic beverages to retailers for consumption in the state, pursuant to Section 23335 of the Business and Professions Code. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are continuously appropriated to the State Department of Health Services, without regard to fiscal years, for purposes of implementing this chapter.

1901. Moneys in the ~~fund~~ *Alcohol-Related Emergency Services Reimbursement Trust Fund* shall be allocated to the following persons and entities:

(a) Local emergency medical services providers, including, but not limited to, emergency departments, trauma centers, emergency and oncall physicians, entities that provide initial prehospital emergency medical stabilization services, emergency ambulance transportation, and other emergency medical professionals and entities, that meet the qualifications established by the department for reimbursement of expenses incurred in providing services for alcohol-related emergencies. An alcohol-related emergency includes an incident that results in the provision of medical services, including transportation services, to a victim who is injured as a result of, or in which a causative agent was, the ingestion of alcohol. *An alcohol-related emergency may*

1 also include, but is not limited to, an accident involving personal
2 injury, including a traffic accident, an altercation, or an incident
3 of violence, including domestic violence. The department shall
4 adopt regulations that establish criteria to identify incidents and
5 emergencies that qualify as alcohol-related emergencies.
6 regulations that establish the acceptable methods for determining
7 whether an incident or emergency is alcohol related, which may
8 include, but shall not be limited to, a blood alcohol test performed
9 by the hospital or law enforcement, a consultation with law
10 enforcement or local emergency medical providers,
11 self-declaration by a patient, declaration by a physician or nurse,
12 and an interview upon patient stabilization.

13 (b) ~~The Department of Alcoholic Beverage Control State~~
14 ~~Board of Equalization~~, for the costs associated with collecting the
15 fee specified in Section 23335 of the Business and Professions
16 Code.

17 (c) The department, for the costs associated with implementing
18 this chapter.

19 (d) *Priority for full reimbursement under subdivision (a), shall*
20 *be given to persons or entities that are unreimbursed by insurance*
21 *or the individual patient. Any funds remaining at the end of a*
22 *12-month period of the collection of fees pursuant to Section*
23 *23335 of the Business and Professions Code and the distribution*
24 *of funds pursuant to this section, and subsequent to a*
25 *reconciliation of funds with reimbursement prioritized for*
26 *uncompensated care, shall be applied to reimburse the remaining*
27 *claims.*

28 (e) *Subsequent to the full reimbursement of all claims as*
29 *provided in subdivision (d), any remaining funds shall be refunded*
30 *equitably to all wholesalers who complied with the fee imposed*
31 *pursuant to Section 23335 of the Business and Professions Code*
32 *during the collection cycle.*

33 1902. Qualifying persons or entities shall submit forms to the
34 department for purposes of obtaining reimbursement under this
35 chapter.

36 1903. The department shall adopt regulations necessary to
37 implement this chapter.

38 1904. *After two years of implementing this chapter, the*
39 *department, in consultation with the State Board of Equalization*
40 *and governmental entities with information about the status of the*

- 1 *alcohol industry, shall evaluate the economic impact of this*
- 2 *chapter on the alcohol industry, including its impact on jobs and*
- 3 *profits in the industry. The evaluation shall be submitted to the*
- 4 *Legislature upon completion.*

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